Carolina Health Centers
Risk Management Committee

Annual Risk Assessment

Completed by Risk Management Committee June 23, 2020

Purpose: To identify the most serious risk areas facing Carolina Health Centers through a formal analysis of how well potential risk areas are addressed

Process: Key employees make up the Risk Management Committee, encompassing all relevant departments and lines of business for Carolina Health Centers. These committee members consider their respective departments and outline the highest perceived risks in the department and present to the committee. All risks are tabulated and ranked according to impact and likelihood and an overall Risk Score is assigned. Those risks with the highest Risk Scores are the risks that need addressing with specific actions.

Reporting: This assessment will be presented to the Quality Improvement Committee and the Board of Directors of Carolina Health Centers.

Identified highest risks and strategic actions (Risk Score, with change if applicable):

1. <u>Improper coding and/or documentation by providers</u> (16 decreased to 12)

    Risk: Audit by Medicare and other agencies, punitive damages, limited revenue from commercial payers

    Mitigating actions: Provider training and education, chart audits, reporting of coding habits to providers, analysis of coding habits, peer review

    Reporting/monitoring: Billing department implemented internal audit procedures to audit each provider on a regular periodic basis, finance department now reporting coding trends to all providers, biannual peer review includes review of billing codes

    Timeframe: Continual monitoring, ongoing

    Primary responsible members: Gilmer, Simons

2. <u>Epidemic/Pandemic</u> (12)

    Risk: Patient and staff morbidity and mortality, increased expenditures, loss of revenue

    Mitigating actions: Policy and procedures developed during the outbreak of COVID-19 to limit exposure to infected individuals and to protect staff. Policy addresses communication, supplies, patient intake and testing as well as staff preparation and procedures. Virtual visits and virtual meetings were implemented to reduce passive exposure. Remote work policy and procedure were developed and implemented as well.

    Reporting/monitoring: During epidemic, Emergency Response Team was activated, meeting as needed (daily, every other day, twice per week) to review latest infectious rate data, supply status, workflow effectiveness and staffing issues. Rates of testing and positive tests are reported regularly to the team. Rates of employee testing and results are reported as well.

Timeframe: Actions above implemented. Policies and procedures remain in place to be activated with any further epidemic or hazardous infectious conditions, such as influenza season.

Primary responsible member: Simons

3. Power failure (12)

    Risk: Loss of patient care services, loss of pharmacy services. Loss of revenue. Increased hazard in unlit areas, communications failure.

    Mitigating actions: Generators already in two locations. Smaller battery backups on other crucial equipment for soft shutdown. Emergency lighting in all locations. Cellular monitoring devices are being tested for reliability. Network outage monitors in place, but limitations on usefulness. Consistent issues will need addressing with options such as infrastructure support or additional generators. Investigating other communication options.

    Reporting/monitoring: Track and report on power outages regularly.

    Timeframe: Power outages tracked regularly and ongoing. Monitoring and communications solutions to be in place by January, 2021.

    Primary responsible members: Eiland, Bradberry

4. Network failure (12)

    Risk: Loss of patient care services, loss of pharmacy services. Loss of revenue and communications failure.

    Mitigating actions: Redundancy in network connectivity is primary mitigating factor. Working on a triple redundancy solution. Scheduling of install has been delayed by pandemic and other factors. Network monitoring devices already in place.

    Reporting/monitoring: Track and report on network outages regularly.

    Timeframe: Installation of triple redundancy system by January, 2021

    Primary responsible members: Bradberry

5. Medication and vaccine errors, administered and dispensed in office and pharmacy (16 decreased to 8)

    Risk: Primary risk is patient safety, but also waste of limited resources, plus perception of less than highest standard of care

    Mitigating actions: Staff training and education; policy and procedures that contain checks and balances. Two sets of eyes on every med administration is fully implemented, and same for vaccines is being piloted at Uptown, to be rolled out further if effective.

    Reporting/monitoring: Every error reported on incident report and tracked. Pharmacy maintaining records independently.

Timeframe: Monitoring and tracking ongoing. Will ensure pharmacy has tracking procedure in place by January, 2021.

Primary responsible members: Richard, Satterwhite, Simons

6. <u>HIPAA/confidentiality violations</u> (12 reduced to 9)

Risk: Intentional or unintentional learning and/or divulging personal private information without consent. Ever-increasing interoperability of electronic health record increases ease and temptation of unauthorized access.

Mitigating actions: Staff education and training; policies around HIPAA, electronic access and confidentiality; use of complex passwords, routine audits. Break the Glass in place with EHR system, requiring password and reason for accessing employee charts. HIPAA education has been presented in multiple formats at multiple times.

Reporting/monitoring: Audits are done regularly, and have been modified to be more targeted. RMC is getting audit reports on a regular basis.

Timeframe: Monitoring and reporting is ongoing

Primary responsible members: Bradberry, Holloway, Simons

Identified risks with intermediate Risk Scores that will need monitoring and periodic review (in order of decreasing Risk Score, 9 to 8):

1. Facility security and staff safety
2. Flood/storm damage
3. Shared, copied or stolen passwords
4. Indoor safety
5. Company vehicle accidents
6. Barriers to patient care
7. 340b program noncompliance

Identified risks with low Risk Scores that will continue to be reviewed (in order of decreasing Risk Score, 6 and lower):

1. Patient demographic and document errors
2. Corporate document errors
3. Outdoor facility safety
4. Unauthorized access to electronic internal files
5. Scams, phishing, malware attacks
6. Employee injuries
7. Diversion of both controlled and 340b medicines
8. Tornado damage
9. Clinical staff billing errors
10. Misuse of company credit card and accounts
11. Fire damage
12. Payroll errors

13. HRSA grant fund errors
14. Company equipment used for personal use

Other factors and issues being monitored and investigated:

1. MedTrainer is being phased out for mandatory annual training. HealthStream with be the new platform, to be implemented before year end.
2. Incident reports are being created, submitted and tracked. Will pursue more granular data from pharmacy reports.